# (1) Who must file a Kentucky individual income tax return?

- a. Full-year Kentucky residents
- b. Persons moving into or out of Kentucky
- Members of the Armed Forces who were legal residents of Kentucky prior to entering the service
- d. Nonresidents with income from Kentucky sources

If you were a Kentucky resident for the entire year, your filing requirement depends upon the amount of adjusted gross income and the age of you and your spouse.

Your Filing Status is	and	Adjusted Gross Income Exceeds
Single Person—		
Under age 65		\$5,000
Single Person—		
Age 65 or ove	er or blind	\$5,000
Single Person—		
Age 65 or over and blind		\$5,000
Husband and W	ife—	
Both under ag	je 65	\$5,000
Husband and W	ife—	
One 65 or ove	er	\$5,000
Husband and W	ife—	
Both age 65 c	or over	\$5,400

# (2) Which form should I file, 740-EZ, 740-S, 740 or 740-NP?

# Form 740-EZ

- a. Full-year residents (January 1, 2000–December 31, 2000)
- b. Persons whose filing status is single
- c. Persons with no dependents
- d. Persons who were under age 65 and not blind at the end of 2000
- e. Persons with income of less than \$100,000
- f. Persons with only wages, salaries, tips and taxable scholarship or fellowship grants, and taxable interest of \$400 or less

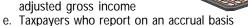
#### Form 740-S

a. Full-year residents (lanuary 1, 2000–December 31, 2000)

- Persons with income primarily from wages, salaries, tips, unemployment compensation, taxable scholarship or fellowship grants, interest and dividends
- c. Persons who do not have federal/Kentucky income differences
- d. Persons who use the standard deduction of \$1,700
- e. Persons claiming the child and dependent care credit

#### Form 740

- a. Full-year residents (lanuary 1, 2000-December 31, 2000)
- b. Persons with farm income (or loss), business income (or loss) or capital gain income (or loss)
- Persons who itemize their deductions on Schedule A (medical expenses, taxes, interest expenses, contributions, casualty and theft losses, etc.)
- d. Persons who have additions to or subtractions from federal adjusted gross income



- f. Taxpayers claiming Kentucky estimated tax payments
- g. Persons claiming the child and dependent care credit
- h. Persons with retirement income from any source

### Form 740-NP

- a. Persons moving **into** Kentucky during 2000
- b. Persons moving out of Kentucky during 2000
- Full-year nonresidents who had income from Kentucky sources and from property located in Kentucky

If you were a resident for all of 2000 of one or more of the following states: Illinois, Indiana, Michigan, Ohio, Virginia, West Virginia or Wisconsin, and your employer withheld Kentucky income tax while you were working in Kentucky, you may file Form 740-NP-R to claim a refund.

# 3) Who can itemize deductions?

You may itemize your deductions for Kentucky even if you do not itemize for federal purposes. The standard deduction for Kentucky is \$1,700 for a single taxpayer or married filing jointly. Generally, if your deductions exceed \$1,700, it will benefit you to itemize.

The list below provides some examples of what deductions qualify for Kentucky.

# Schedule A

a. **Medical Expenses**—Medical expenses and dental expenses that exceed 7.5 percent of adjusted gross income.



- b. **Taxes and Interest**—Local (city) income taxes, real estate taxes, personal property taxes and interest you paid on a home mortgage.
- c. Contributions—Contributions to organizations that are religious, charitable, educational, scientific or literary in purpose. You may also deduct what you gave to organizations that work to prevent cruelty to children or animals.
- d. Casualty Losses—Casualty and theft losses caused by theft, vandalism, fire, storm, flood and car, boat and other accidents or similar causes.
- e. Miscellaneous—The following expenses may qualify as deductions. Refer to Form 740 instructions for limitations.

Business use of home; educational expenses; employee expenses; tax preparation fees; expenses of producing income; gambling losses.

# (4) What type of interest and dividend income is taxable?

 a. Interest Income—Interest from seller-financed mortgages; interest income from banks, savings institutions, credit unions, money

market funds, certificates of deposit, corporate bonds, tax refunds and similar sources; and interest from bonds issued by other states and their political



- subdivisions. Interest income from U.S. government bonds and securities and bonds issued by Kentucky and its political subdivisions is exempt.
- b. **Dividends**—Dividends received or credited to your account from shares of stock or mutual stock funds. Dividends received by a stockholder, including those from Kentucky and national banks, are taxable.

# (5) Who can claim the child and dependent care credit?

You can claim a credit for expenses for household and dependent care services if you are a resident and they were necessary for you to be gainfully employed or to seek gainful employment. The credit is limited to 20 percent of the allowable federal child and dependent care credit (see Form 740 and instructions for further information).

# Where can I get assistance in filing my Kentucky income tax return?

Assistance is available from Kentucky Taxpayer Service Centers in Ashland, Bowling Green, Corbin, Florence, Frankfort, Hazard, Hopkinsville, Lexington, Louisville, Owensboro, Paducah and Pikeville.

# (7) Who can I contact if I have a complaint or problem with the Revenue Cabinet or if I think my rights as a taxpayer are being violated?

There is a Kentucky Taxpayer Ombudsman who helps protect the rights of Kentucky taxpayers. If you think the Revenue Cabinet is not being fair to you, or is not giving you all the rights you think the law gives you, contact the Ombudsman at (502) 564-7822 (from a Telecommunication Device for the Deaf (TDD), call (502) 564-3058) or write to:

> Kentucky Taxpayer Ombudsman P.O. Box 930 Frankfort, Kentucky 40602-0930

For a free brochure which explains your rights as a Kentucky taxpaver, contact the office above.

# The Kentucky Revenue Cabinet Mission Statement

To provide courteous, accurate and efficient services for the benefit of Kentucky and its citizens. and administer the tax laws of the Commonwealth in a fair and impartial manner.

The Kentucky Revenue Cabinet does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

#### KENTUCKY TAXPAYER SERVICE CENTERS



# Ashland, 41101-7670

134 Sixteenth Street Telephone: (606) 920-2037

# Bowling Green, 42104-3356

1502 Westen Street

Telephone: (270) 746-7470

# Corbin, 40701-8676

Falls Road Plaza, Suite 5 1707 18th Street

Telephone: (606) 528-3322

# Frankfort, 40620

200 Fair Oaks Lane, Second Floor Individual Income Tax Branch Telephone: (502) 564-4581

#### Hazard, 41701-2179

233 Birch Street

Telephone: (606) 435-6017

# Hopkinsville, 42240

181 Hammond Drive

Telephone: (270) 889-6521

# Lexington, 40507-1556

301 East Main Street, Suite 500 Telephone: (859) 246-2165

# Louisville, 40202-2446

620 South Third Street, Suite 102 Telephone: (502) 595-4512

# Northern Kentucky

Turfway Ridge Office Park 7310 Turfway Road, Suite 190 Florence, 41042-1385 Telephone: (859) 371-9049

#### Owensboro, 42302

401 Frederica Street Building C, Suite 201 Telephone: (270) 687-7301

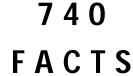
#### Paducah, 42001-1001

Paducah Bank Building, Suites 302/306 555 Jefferson Street

Telephone: (270) 575-7148

# Pikeville, 41501

Uniplex Center, 126 Trivette Drive Telephone: (606) 433-7675



Answers to Questions Concerning Kentucky Individual Income Tax Forms



